

# UCIDA

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Ulster County Industrial Development Agency

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## ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES MAY 11, 2016

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A regular monthly meeting of the Ulster County Industrial Development Agency was held at 8:00 a.m., Wednesday, May 11, 2016, Karen Binder Library, 6<sup>th</sup> Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

### Roll Call:

The following agency members were present:

Michael Horodyski	Chair
Robert Kinnin	Secretary
Floyd Lattin	Treasurer
John Livermore	Assistant Secretary
James Malcolm	Assistant Treasurer
Mary Sheeley	Member

The following agency members were absent:

John Morrow	Vice Chair
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Office of Economic Development Staff:

Linda Clark  
Christopher Fury

UCIDA Attorney and Bond Counsel:

A. Joseph Scott	Hodgson Russ LLP
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Chief Financial Officer:

Christopher Rioux

Additional Attendees:

Elliott Auerbach	Ulster County Comptroller
William Kemble	Daily Freeman
Jennifer Schwartz Berky	Ulster County Legislator
Geddy Sveikauskas	Ulster Publishing

The meeting was called to order at 8:00 a.m.

### PLEDGE OF ALLEGIANCE

P.O. Box 4265, Kingston, NY 12402-4265

The members of the Agency participated in the Pledge of Allegiance to the flag.

### **READING OF THE UCIDA MISSION STATEMENT**

The mission of the Ulster County Industrial Development Agency is to advance the job opportunities, general prosperity and long-term economic vitality of Ulster County residents by targeting tax incentives, bonding and other assistance to foster creation and attraction of new business and the retention and expansion of existing business.

### **MINUTES**

**Motion** James Malcolm, seconded by Floyd Lattin, moved to approve the Minutes of the April 13, 2016, meeting. A copy of said Minutes is on file.

**Vote:** The motion was adopted. John Morrow absent.

### **FINANCIALS**

**Motion:** Floyd Lattin, seconded by Mary Sheeley, moved to accept the financials for the period ending April 30, 2016. A copy of said Financials is on file.

**Vote:** The motion was adopted. John Morrow absent.

### **COMMITTEE REPORTS**

#### **Audit Committee**

Committee Chair Lattin reported that the Audit Committee had met at 7:45 a.m. that morning and reviewed the first quarter financials. The 2015 fourth quarter financials will be reviewed at the next meeting of the committee.

#### **Governance Committee**

In the absence of Committee Chair John Morrow, Chair Horodyski stated that the committee should schedule a meeting in order to begin the review/discussion of the current Uniform Tax Agency Policy, Points Calculator/Matrix and proposed Labor Policy.

#### **Ready2Go**

No report.

### **RESOLUTION 157 REPORT**

Chair Horodyski stated that the Ulster County Legislature, via Resolution 157 of 2012, requested that the UCIDA annually provide financial statements/annual report, agency overview, projects – pending and complete, 5 year project summary and the most recent PARIS report. A copy of said report is on file.

**Motion:** Floyd Lattin, seconded by Robert Kinnin, moved to approve the Report for submission to the Ulster County Legislature.

**Vote:** The motion was adopted. John Morrow absent.

### **DISCUSSION – UNIFORM TAX EXEMPTION POLICY**

Chair Horodyski stated that each member of the Agency should review and consider what changes and/or additions should be made to the existing UTEP Policy. The Public Hearing yielded several comments/communications regarding the Category 5 Dormitory Housing PILOT from the Town of New Paltz; there were very few other comments from other municipalities. It was his opinion that perhaps the Town of Marbletown may be affected by Category 5 should dormitories ever become a possibility at the SUNY Ulster campus. Additionally, a review of the Matrix and the Points Calculator need to be reviewed to classify and quantify a project to determine what the benefit amount is going to be. The proposed Labor Policy should also be reviewed to determine how it can be incorporated into both the Matrix and the Point Calculator.

Comments included, but were not limited to:

- Category 5 PILOT – 25 years is too long; perhaps it should not exist at all
- The State Legislature authorized the Department of Tax and Finance to write the rules and regulations regarding PILOTs and how they affect school districts.
- The Points Calculator should not solely be formulaic; consider everything that is on the table.
- The Agency's UTEP is sufficiently more sophisticated than 80% of other IDAs in the state. The points calculator incentivizes various behaviors and rewards those behaviors which is a very sophisticated economic development tool.
- Are there provisions within the statute to allow for the expansion of new technologies, i.e. knowledge based technologies in the form of long term leases in under-served neighborhoods, etc. The tax incentives that the IDA can offer may not be applicable; there may be ways to structure the project accordingly.

All members of the Agency will be advised when the Governance Committee will meet.

### **OLD BUSINESS**

#### **Woodland Pond**

Counsel Scott has reached out and will follow up at the next meeting of the Agency.

#### **Douglas Posey III – Transcript of Public Hearing**

The public hearing received favorable comments from all those present. There were no written comments submitted to be included as a part of the official record. A copy of said transcript is on file.

#### **Star Estate Development Group**

The public hearing received favorable comments from all those present. There were no written comments submitted to be included as a part of the official record. A copy of said transcript is on file.

### Hudson Valley Start-Up Fund

Chair Horodyski updated members regarding the fact that on April 20, 2016 the NYS Authorities Budget Office made specific inquiries regarding the Hudson Valley Start-Up Fund Application for Contract for Services. Chief Financial Officer Christopher Rioux responded to the inquiry on May 4, 2016. Late in the day on May 10, 2016, a reply was received from the NYS ABO providing critical comments regarding same. They were pointed in that they believed that the Contract for Services with the UCIDA was not going to provide the level of benefit that they thought would rise to an actual contract whereby the UCIDA would be getting something in return. The application was perceived as a grant rather than a contract for services.

Several members expressed their negative view of the application. It is a private equity fund that promises its investors a very substantial return on their investment and their application does not provide any details as to what their services would be. Basically, it is a for-profit entity that is looking to off-set expenses to increase and maximize investment.

**Motion:** John Livermore, seconded by Mary Sheeley, moved to not move forward with the Hudson Valley Start-up Fund Application for Contract for Services.

**Vote:** The motion was adopted.

**Yeas:** Michael Horodyski, Floyd Lattin, John Livermore, James Malcolm, March Sheeley

**Noes:** Robert Kinnin

**Absent:** John Morrow

### NEW BUSINESS

#### Legislative Reform

Counsel A. Joseph Scott referred to correspondence sent by his office which summarized the actions that are required in accordance with the provisions of the 2015 legislation regarding IDA documents/policies. The proposal estimates that the documents in question will be available for review/approval by the June meeting of the Agency. Additionally, the costs associated with these actions would be in the range of \$2,500 to \$4,500 depending on the state of the existing documents/policies of the Agency. A copy of said correspondence is on file.

**Motion:** John Livermore, seconded by James Malcolm, moved to engage Hodgson Russ LLP to perform said work.

**Vote:** The motion was adopted. John Morrow absent.

### PUBLIC COMMENT

Mr. William Kemble, Daily Freeman, requested an update on posting board materials to the Agency's website. He was unable to access said documents. He was assured that the documents were there.

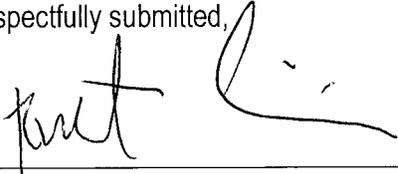
### ADJOURNMENT

**Motion:** James Malcolm, seconded by Mary Sheeley, moved to adjourn the meeting

**Vote:** The motion was adopted. John Morrow absent.

The meeting was adjourned at 8:30 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Robert Kinnin', written over a horizontal line.

Robert Kinnin  
Secretary